

# EXHIBIT 1

***SUMMARY APPRAISAL REPORT***

***OF  
MACHINERY AND EQUIPMENT  
FOR***

***Capital Bank***

---

Date of Valuation: July 18, 2024

Effective Date: July 18 18, 2024

Date of Report: July 31, 2024

Performed By

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**Letter of Transmittal**

July 31, 2024

Capital Bank  
2275 Research Blvd., #600  
Rockville, MD 20850  
Attention: Treena Clampitt, Appraisal Department Support Specialist

**RE: Smokecraft Clarendon, LLC**

Dear Ms. Clampitt,

Per your request, we respectfully submit a summary appraisal report for certain machinery and equipment owned by Smokecraft Clarendon, LLC., 1051 N. Highland St., Arlington, VA 22201. You have requested a Fair Market Value Equipment Appraisal for the equipment listed in this report. The summary appraisal report to be used for banking and collateral purposes.

The report has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice (U.S.P.A.P). Fee simple interest has been reported on the restaurant equipment listed. As engaged, I am providing Rounded Fair Market Value, as of the effective date of July 18, 2024. If there is any change in the assets listed (sale, loss under any circumstance, or sold under any other value scenario), then a different value could be realized.

My opinion of the value is based on my training and experience as a certified appraiser, our company's research library, internet / local market-based searches within reasonable geographic and targeted criteria, discussions with you, and manufacturers and vendors (as possible).

It is the undersigned appraiser's independent unbiased professional opinion, that a summary of all information collected indicates that of this date, 07/18/24, the aggregated estimated Fair Market Value (FMV), contained in this report is best expressed as:

**FMV \$158,420.00**

The Appraiser, AAA Certified Appraisers, LLC, or its Affiliates have made no investigation as to the title to the assets. It is our assumption that they belong to the equipment owner addressed above unless specifically referenced differently in this report. To our knowledge, no extraordinary conditions, liens or encumbrances, environmental hazards from any source exist that would impact these values.

Please trust that this opinion is unbiased and neither I nor AAA Certified Appraisers, LLC have any interest in or affiliation with the property. The charge for our appraisal service, as reflected in the Engagement Agreement, was not contingent upon these values reported and there are no other monies / or goods exchanged in this transaction.

We have retained a copy of this report and all pertinent notes and photos as needed to create this report. We deem this report and all other associated information as confidential. It can only be released by you under written authorization to a listed or added intended user.

If you should have any questions regarding this report, please do not hesitate to call us. After lengthy collaboration we believe this report has been completed to the best of our ability and hope we have exceeded your expectations.

I hold all opinions contained in this report to be of a reasonable degree of professional certainty.

This report and conclusions are attached hereto and must be attached to the transmittal letter as an integral part of it. Electronic signature certificate can be found in this appraiser's work file. Any reproduction of this report is prohibited without written permission.

Respectfully submitted,

Robert A. Jones

Robert A. Jones, CPPA, EECA  
*Certified Personal Property Appraiser*  
*Expert Equipment Certified Appraiser*

07 / 31 / 2024

Date

07/31/2024

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## General Information

An appraisal is a type of investigation into the law of probabilities with respect to valuation. Through the appraiser's experience, training, and integrity, we can project the activities of buyers and sellers in the marketplace into an estimation of value, in reaching a conclusion, comparison of assets usually involves adjustments due to the individuality and uniqueness of each asset. Transactions are often influenced by sentiment, bias, specific needs, politics, familiarity, lack of understanding and other conditions not considered by the impartial appraiser. The appraiser cannot lend credence to these possible factors lest he/she misrepresent the very reason for the profession.

An appraisal cannot be guaranteed, nor can it be proven. The opinion of value can, however, be substantiated and the final opinion is the result of a thorough professional analysis of the vast quantity of data. An appraisal must not be considered absolute but should be used as a basis of negotiations between concerned parties, whatever their interest.

The valuation process, as followed in the preparation of this report, is an orderly procedure for arriving at an estimate of value. By following this procedure, the appraiser begins with a preliminary study of the problem involved and defines the basis from which the appraisal is to be made. A program is initiated for the accumulation, analysis, and observation of data. The data called for in the preliminary study is gathered, classified, and analyzed.

In assignments to estimate Rounded Fair Market Value(s), the goal of the valuation process is a supported conclusion that reflects the appraiser's study of all influences on the value of the assets being appraised. Therefore, the appraiser studies the assets from various applicable viewpoints.

Various approaches are interrelated, and each involves the gathering and analysis of sales, activity, and value data in relation to the assets being appraised. From the analysis, the appraiser derives separate indications of value for the assets being appraised. One or more approaches may be used, depending on the applicability to the particular appraisal assignment.

To complete the valuation process, the appraiser integrates the information drawn from the market research and analysis of data and from the application of appraisal techniques to form a conclusion. The conclusion may be an estimate of value or a range in which the value may fall. Effective integration depends on an appraiser's skill, experience, and judgment.

With the preceding in mind, the reader's attention is invited to the appraisal report and various exhibits which point out the facts and reasoning leading to a final estimate of value.

## Summary of Salient Facts

Identity of Subject Appraisal	Smokecraft Clarendon, LLC.	
Intended User	Capital Bank	
Intended Use	Banking and collateral purposes and cannot be used for any other purpose.	
Property Interest Appraised	Fee Simple	
Sales History of Property Items	Unknown	
Class of Property	Restaurant Equipment	
Current Use of Property	Restaurant Equipment	
Location(s) of Property	1051 N. Highland St., Arlington, VA 22201	
Use of Property When Appraised	Restaurant Equipment	
Effective Date of Appraisal	July 18, 2024	
Date of Valuation	July 18, 2024	
Date of Report Written	July 31, 2024	
Type of Value	Fair Market Value	
<b>Final Estimate of Value</b>	<b>FMV</b>	<b>\$158,420.00</b>

## **Description of Assignment**

### ***Subject of the Appraisal***

AAA Certified Appraisers, LLC has been retained by Treena Clampitt, Appraisal Department Support Specialist for Capital Bank, to provide a fair market value appraisal of certain machinery and equipment items owned by Smokecraft Clarendon, LLC., 1051 N. Highland St., Arlington, VA 22201.

### ***Effective Date of Valuation***

The effective date of this appraisal is July 18, 2024. Only information available (known or knowable) as of the effective date is to be considered in the development of an opinion of value.

### ***Scope of Work***

The appraiser has been asked to provide a summary appraisal effective July 18, 2024, of assets owned by Smokecraft Clarendon, LLC., 1051 N. Highland St., Arlington, VA 22201. Additional details are provided in the Enhanced Scope of Work Section of this appraisal report.

Fee simple interest has been reported as an estimation of the fair market value. It should be noted that if these items should sell under any other scenario, then different values would be realized. (Please see Machinery & Equipment Value Definitions)

This report is identified as a *Summary Appraisal Report* that is intended to comply with the reporting requirements as defined under Standards Rule 8-2 (b) of the Uniform Standards of Professional Appraisal Practice (USPAP). As such, it presents only summary discussions of the data, reasoning, and analyses that are used in the processes to develop the Appraiser's Opinion of Value. Supporting documentation that is not provided with the report concerning data, reasoning and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated within this report. Not all specific requirements are applicable to every assignment. In this assignment, not all data involving subject sales, offerings, options, and listing was obtainable and verifiable, although the appraiser has made every effort to gather the data by direct contact with the various sources through telephone or e-mail. If this detailed data is not included or addressed, the data is irrelevant.

Due to the large number of subject properties oftentimes appraised in a machinery/equipment appraisal, the Restricted Appraisal Report is the most used report form. Restricted Appraisal Reports are accepted daily by the courts, taxing authorities, lenders, business owners, accountants, and other users of appraisal services.

There are three broad approaches to valuation, which are considered during the appraisal process: (i) Income Approach, (ii)Market Approach, and (iii) Cost Approach.

The Income Approach to value is used only when solid data involving income and expenses for a particular item can be established. It is considered hypothetical in most situations involving machinery and equipment, and though while considered, has not been applied to this assignment.

Either the Cost Approach or Market Data Approach (or both) have been utilized for developing an indication of value for each item or category.

The Cost Approach is defined as methods in which a value of an asset is derived by estimating cost new and deducting estimated depreciation. To provide cost less depreciation analysis, this appraiser has used, when possible, the actual manufacturer (or dealers) of the subject equipment. At times, new replacement models are offered when the subject model is no longer being made. When this condition exists, the appraiser endeavors to correlate and adjust for various factors involved.

The appraiser, when implementing the Market Data Approach, has endeavored to find "sold comparable." There are similar items that have transferred in the marketplace. These comparable sales may provide the best and most reliable information. However, if actual historical sales information is not available, the appraiser will oftentimes look to the current market of similar items currently for sale. This information can be useful in estimating value. In this report, a search has been made for "sold" items and items currently "for sale."

This appraiser has gathered data on Smokecraft Clarendon, LLC.'s subject items from as many sources as practical, including but not limited to the original equipment manufacturer (if possible), dealers and brokers of like equipment, published catalogs, and guides of similar equipment as well as the Internet. Upon gathering data regarding new and similar models with characteristics of the subject equipment, the writer has then analyzed the data to estimate value.

After conversations with various industry professionals, including the above-mentioned sources, the appraiser has endeavored to arrive at the final opinion of value estimate for the Subject's equipment. After a value was established, this written report was then formulated to set forth the findings and conclusions of the appraiser. An extreme effort was made to comply with the Uniform Standards of Professional Appraisal Practice in providing the final opinion of value and this written report.

This is a report estimating value based on reported conditions. If it is the client's desire to verify the physical condition and/or needed repairs of the machinery/equipment, which is the subject of this report, the client should consult a qualified mechanic/technician. To determine actual mechanical condition is outside of this appraiser's expertise and the scope of this assignment.

This assignment has called for only the larger, more expensive items owned by the equipment owner to be appraised. It is understood that oftentimes there also exist smaller, less expensive ancillary/support items that "support" the larger items. These items, too, obviously have value but do not in and of themselves merit the time and expense of an individual valuation. Therefore, it is agreed by the client's use of this report, that if these types of items are mentioned in this report, they will be added under a separate section(s) as opposed to the larger capital items and the appraiser may apply the Cost Approach Less Depreciation Method or Market Data Method, but will illustrate the results only as a single "lot" figure for less significant items, due to time and cost factors required in researching smaller items. These items typically include smaller hand tools, furniture, fixtures, shelving, small electronic items, i.e., computers, printers, telephone systems, etc., and other less expensive items which are considered to "support" the items, which are the focus of this report. Industry depreciation standards have been applied with little, if any, individual description. Lot pricing is employed with these types of items.

Further, a request to this appraiser as to the type of report needed was implemented. That is to say, the appraised assets may be valued in place, in use, and as part of a going concern entity; in place, not in use; in place to be removed; not in place, etc. Many types of equipment items are labor intensive in their millwright, installation, or removal.

This appraisal report sets forth the findings and conclusions and is based upon an investigation of conditions affecting value and is subject to the Statement of Limiting Conditions and Definitions. Without reading the Statement of Limiting Conditions and Definitions, this report cannot be fully understood.

The scope of this assignment as explained above has been requested and/or agreed to by the client along with the conditions as stated in AAA Certified Appraisers, LLC Engagement Agreement signed by the client.

## **Enhanced Scope of Work**

Follows is additional expanded information to **Enhance our Scope of Work**. It is the intention to instill confidence in this Opinion of Value:

### *Degree to which Property is Inspected or Identified*

An onsite visit was conducted to inspect the equipment on July 18<sup>th</sup> at Smokecraft Modern Barbecue. A visual inspection was made to verify that the assets existed. The assets were observed and are assumed to be in good working order, unless stated otherwise, though a detailed mechanical inspection was not made. The identification and condition of the equipment units being appraised were taken from the equipment list prepared by this appraiser.

On the morning of July 18, 2024, this appraiser went to the site location, Smokecraft Modern Barbecue, 1051 N. Highland St., Arlington, VA 22201. I conducted a visual inspection of the equipment prior to the owner arriving. According to the attorney's involved the onsite inspection was to be conducted at 8:00 am.

When I arrived the front door of the business was open and there were employees inside the location. Upon Mr. Daschiel's arrival at approximately 9:00 am, I was asked to leave the premises. Upon conversation with the attorney's office, I returned and finished the appraisal. At that time pictures were taken, various notes and a formal list of the equipment to be appraised were performed by this appraiser. This information can be found in the Capital Equipment Section of this appraisal.

I was informed by Mr. Daschiel that the dishwashing equipment in the bar and kitchen is leased and not owned by Smokecraft Clarendon, LLC.

Was also informed that the walk-in cooler and freezer are permanent fixtures in the building. This appraiser, however, did appraise these items and assessed the value. I have knowledge of the lease information for these items to be excluded in my valuation. This information can be found in the Capital Equipment Section of this appraisal.

### *Extent of Research into Physical or Economic Factors That Could Affect Property*

The appraiser has not had access to the profit and loss statements or tax returns of Smokecraft Clarendon, LLC. The purpose of this appraisal report is to speak only of the value as of the date of this report and not to forecast any realized future profits, losses, or any remaining depreciable value. If there are concerns in these areas, the reader or user of this report should conduct further studies.

It should be noted, however, that some economic factors can and do factor into the estimation of value equation.

### ***Extent of Data Research***

To value the property, the appraiser has taken great effort to converse, via email and phone, with representatives of the companies that sell, service and manufacture the machinery and equipment listed. The appraiser has also attempted to speak with individuals and companies with knowledge of the equipment listed in this report. The appraiser, to the best of his ability, had described the characteristics of Smokecraft Clarendon, LLC.'s assets. It is understood certain assets may be purchased/sold with a variety of peripheral attachments, support items and other amenities, which could affect value. It is not always possible to know of such factors that may or may not exist.

Therefore, it is assumed the Subject's assets do in fact have basic qualities needed for operation and would have an expected number of peripheral amenities associated with the Subject's asset being appraised. All information provided by the appraiser is believed to be accurate but not warranted or guaranteed.

### ***Type and Extent of Analysis Applied in Arriving at Opinions or Conclusions***

*Let it be reiterated (see section: Extent of Research into Physical and Economic Factors That Could Affect Property)*

Conversations, via email and phone, were held with manufacturers and dealers providing similar equipment and inventory. These conversations consisted of pricing and functionality of the equipment. The appraiser also used the company's database and closed auction and sales information through internet searches. After these conversations and research an opinion as to the values being requested including market condition were formulated to the best of the appraiser's ability.

### ***Depth of Inspection***

*Note: reference Engagement Agreement for requested type of appraisal*

As mentioned previously, Robert A. Jones of AAA Certified Appraisers, LLC, has made a visual inspection of the assets on July 18, 2024, at the Arlington, VA location. The assets were verified and working or capable of working (unless otherwise noted), although a detailed mechanical inspection was not made. Data was collected and photographs were taken when possible.

### ***Highest and Best Use***

The highest and best use of machinery and equipment items are best utilized in their income producing capabilities.

### ***Intended User(s)***

The use and distribution of the appraisal report is restricted to Capital Bank. The use of this report and information contained in it is restricted to the user set forth and cannot be photocopied in whole or part or distributed to others.

### *Confidentiality and Privacy*

The appraiser will maintain the conformity and privacy of customer information obtained during this assignment in compliance with USPAP and Regulation Practices, Title V of Gramm, Leach, Bliley Financial Modernization Act.

We do not sell information about our clients. We protect the security and confidential information about the client. We share information outside our company only when necessary to administer products or services we provide when we have your permission or required or permitted by law.

### *Overall Condition of Equipment*

It is understood that Smokecraft Clarendon, LLC.'s assets are in operating condition unless otherwise noted. The condition of the larger capital equipment items is noted for each listed asset.

### *Intended Use*

It is understood that this report is to be used for banking and collateral purposes and is restricted to the use set forth and if used for any other application is invalid.

### *Property Interest Appraised*

It is understood that the property interest appraised is in Fee Simple Interest

### *Statement of Limiting Conditions - Tangible Asset*

1. All facts and data set forth in this report are true and correct to the best of the appraisers' knowledge.
2. The fee for this report is not contingent upon the values reported. There have been no guarantees associated with this fee and no liability can be intimated or assumed in any manner.
3. Since this report has been purchased by the addressee, it is assumed by the appraiser that it is to be used by the addressee in determination of value at that point of time. Use of this report by others should be done so with the understanding that no risk or guarantees have been purchased by the owner of the report nor through the fee paid to the appraiser. The appraiser reserves the right to recall all copies of this report to correct any omission or error.
4. Physical condition in most instances has been determined by observation or indication by others. Any unknown conditions at the time of the inspection could alter the value. No responsibility is assumed for latent defects of any nature whatsoever which may affect value, nor for any expertise required to disclose such conditions.
5. No consideration has been given to liens or encumbrances, which may be against the property.
6. No investigation of legal fee or title to the property has been made and the claim to the property has been assumed to be valid.
7. Neither the appraiser nor any officer or employee of AAA Certified Appraisers, LLC has any financial interest in the property appraised, unless specifically noted.

8. No additional values or appraisals have been made regarding such intangibles as patents, rights to manufacture, trademarks, goodwill, any going concern, etc.
9. This report has been prepared in conformity with the Good Practice Code of Ethics associated with the NEBB Institute.
10. Other limitations, if any, are clearly defined and individually set out at that point related to the subject.
11. Neither all or any part of the contents of this report, or copy thereof, shall be reproduced for any purpose other than stated in the report, nor shall it be made available to the media, another appraiser or anyone else without the written consent of the appraiser.
12. For all appraisals subject to satisfactory completion, repairs or alterations, this report and value conclusions are contingent upon completion of the improvements in a workmanlike manner.
13. Information, estimates, and opinions furnished the appraiser and contained in this report were obtained from sources considered reliable and believed to be true and correct; however, no responsibility for accuracy of such items furnished to the appraiser can be assumed by the appraiser. No liability or responsibility is expressed for the results of actions taken by anyone because of this report. Further, there is no accountability, obligation, or liability to any third party.
14. Matters of legal nature or tax consequences have not necessarily been considered in this report. The reader should consult a competent attorney or CPA for information and opinions in those areas.
15. In many instances, the appraiser is given information regarding machinery and equipment concerning repairs, accessories, condition, etc., which may not be verifiable by the appraiser for a variety of reasons. In such cases, the appraiser must rely on information provided to him in searching for comparative data. The appraiser disclaims any responsibility if given erroneous information by any party.
16. Machinery and equipment appraisers are called on for valuation and verification for assets from many different fields of business. It is impossible for any appraiser to be an authority in every field of machinery/equipment. Therefore, the appraiser has endeavored to use basic sound, accepted methodologies in any assignment (i.e., Cost Based Methods and Market Data Methods). Conversations with these dealing daily in a specific field were conducted, and all final evaluations are founded on prudence and best effort on part of the appraiser "Conclusion of the final opinion of value" is arrived at years of experience in the sale and appraisal of machinery, equipment, businesses. The form of this report is made possible by omitting many details in estimating, yet not considered essential to the report.
17. This appraiser has endeavored to use due diligence in all market comparisons. If possible, three comparisons of similar items sold usually provide substance for final value determination. However, at times it is not possible to find any direct sales comparisons that have actually sold. In these cases, the appraiser has relied heavily on comments and testimony from sources considered reliable (dealers, manufacturers, wholesaler, and others) in arriving at the final value estimate.

18. This appraiser has based his opinion on certain assumptions that have been presented to him. If these basic assumptions should change for any reason, the final valuation could quite likely change. The appraiser reserves the right to make any adjustments considered necessary as additional or more reliable data becomes available.
19. Nomenclature and identification of tangible assets are assumed by this appraiser to be accurate, but no guarantee is made in this regard.
20. An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason, the value is, in many cases, a rounded number. As stated in Engineering Valuation and Depreciation, a textbook published by Iowa State University Press of Ames, Iowa, "*All values are of the nature of forecast of events and are subject to the uncertainties of all prophecies.*"
21. In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually applied in nominal value areas that require general descriptions for applications elsewhere, or areas where difficulty of access of total description would have required additional time not justified by the items being valued.
22. It is assumed that all the equipment has standard features commensurate with its normal operation. For instance, machine tools would include but not limited to belt guards, foot pedals, magnetic or standard starters, switch gear, safety equipment, wiring, piping, and controls, electrical, pneumatic, or hydraulic systems, or peripheral items considered standard for operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, however, to indicate any non-standard features at an appropriate point within the study.
23. Description of items made a part of this report is believed correct. Any errors or omissions were unintentional and should not affect the value assignment. Description is made with the attempt of allowing reasonable identification although it may not allow specific item identification in all cases unless company tagging is utilized. Examples of this would be in such areas as cabinets, shelving, file cabinets, various hand tools and un serialized equipment or equipment without justification for serial number search due to associated value and/or time consideration. In some cases, identification numbers cannot be located.
24. In some cases, the appraiser may indicate that certain equipment was observed in operation. This qualification is applicable only to specific pieces of equipment and should not be construed that other equipment was not operable or under operation at the time of inspection. This note could be extremely important in the future but is considered more of a note "in passing" at the time of the onsite evaluation.
25. The Subject's assets may or may not conform to OSHA Standards (Occupational Safety and Health Administration). The sole responsibility for conforming rests with the owner of the subject assets and may not necessarily affect the final estimate of value reported herein.
26. Any controversy arising out of or relating to this report shall be settled by arbitration in accordance with the rules, then in effect, of the American Arbitration Association, in Richmond, VA. In the unlikely event that differences concerning our services or fees should arise, that are not resolved by mutual agreement, the liability of AAA Certified Appraisers, LLC to Client(s) under all circumstances in connection with those services is limited to the lesser or the amount of

fees actually paid or \$2,500.00. Client(s) agrees to recover any amount from AAA Certified Appraisers, LLC, Client(s) must prove AAA Certified Appraisers committed fraud or willful misconduct in its duties to Client(s). Under no circumstances shall the undersigned appraisers nor any contractor, agent or employee of AAA Certified Appraisers, LLC have any personal or other liability to Client(s). Payments of all fees by AAA Certified Appraisers, LLC is a mandatory precedent to suit by Client(s).

27. Since the conclusions of the appraiser are based upon judgments, isolation of any single element as the sole basis of comparison to the whole appraisal may be inaccurate.
28. As stated, this is a report estimating value based on “reported” condition. If it is the client’s desire to verify physical condition and/or needed repair of items, which are subject to this report, the client should consult a qualified mechanic/technician. To determine actual mechanical condition is outside of the appraiser’s expertise and the scope of the assignment. If the condition of the equipment is other than as reported to the appraiser, the estimated value could be unreliable. The appraiser reserves the right to change the value estimate if additional information comes forward as to condition or other factors, which could affect value.
29. This is a Summary Appraisal Report. Additional information may be necessary for specific pieces of machinery and equipment and must be provided to the appraiser. (i.e., maintenance records, equipment modification documentation, etc.)
30. This report is not to be used for insurance purposes unless specifically stated to do so.
31. It should be noted that the term “certified” or “certified appraisal” as used in the report, refers to certification from various recognized appraisal and consulting societies, organizations, or institutes.

#### *Extraordinary Assumptions and/or Hypothetical Conditions*

- It is assumed that there are no hidden defects which are not discernable from a visual inspection, and which could affect value.
- If any information from any source(s) comes forward indicating that a change in an estimated value for any particular item(s) is warranted, this appraiser reserves the right to correct the value estimated in this report.
- The user of this report is reminded; issues resulting from either of the above conditions could affect the assignment results.

#### **Definition of Standard Value**

#### *Fair Market Value Definition*

The following definition is promulgated by the federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC).

This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

“The most probable price which a property should bring in a competitive and open market under all condition’s requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consumption of a sale of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated.
- Both parties are well informed or well advised, and acting in what they consider their best interest.
- Reasonable time is allowed for exposure to the open market.
- Payment is made in terms of cash in U.S. dollars or in terms of financial agreements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

## Terminology

### *Definitions of Condition*

#### Very Good (VG)

This term describes an item of equipment in excellent condition capable of being used to its fully specified utilization for its designated purpose without being modified and not requiring any repairs or abnormal maintenance at the time of inspection or within the foreseeable future.

#### Good Condition (GC)

This term describes those items of equipment which have been modified or repaired and are being used at or near their fully specified utilization but the effects of age and/or utilization indicate that some minor repairs may have to be made or that the item may have to be used to some slightly lesser degree than its fully specified utilization in the foreseeable future.

#### Fair Condition (FC)

This term describes those items of equipment which are being used at some point below their fully specified utilization because of the effects of age and/or application and which require general repairs and some replacement of minor elements in the foreseeable future to raise their level of utilization to or near their original specifications.

#### Poor Condition (PC)

This term is used to describe those items of equipment, which can only be used at some point well below their fully specified utilization, and it is not possible to realize full capability in their current condition without extensive repairs and/or replacement of major elements in the very near future.

**Scrap Condition (X)**

This term is used to describe those items of equipment which are no longer serviceable, and which cannot be utilized to any practical degree regardless of the extent of the repairs or modifications to which they may be subjected. This condition applies to items of equipment which have been used for 100% of their useful life or which are 100% technologically or functionally obsolescent.

**Additional Considerations*****Title of Appraised Equipment***

It is understood and assumed by the appraiser that the items within this report are owned and belong to Smokecraft Clarendon, LLC., 1051 N. Highland St., Arlington, VA 22201. The writer makes no guarantee, however, concerning ownership or clear title.

This appraisal sets forth the findings and conclusions of the appraiser as to the conditions affecting value and its subject to the Statement of Limiting Conditions and Definitions. Without reading the Statement of Limiting Conditions and Definitions, the report cannot be fully understood.

***Measurable Marketplace***

There are distinct levels of trade, and each may have its own market value. This appraiser is of the opinion that other individuals with restaurant equipment similar to Smokecraft Clarendon, LLC., who provide similar services, would be the most appropriate market.

***Estimated Exposure Time***

This appraiser believes that if properly exposed to the open market the Subject's equipment should sell in the range of 180 days to 270 days for Fair Market Value.

**Valuation of Subject's Machinery and Equipment**

AAA Certified Appraisers, LLC has been retained by Treena Clampitt, Appraisal Department Support Specialist for Capital Bank, to provide a Summary Appraisal reporting the fair market value(s) of certain assets owned by Smokecraft Clarendon, LLC., 1051 N. Highland St., Arlington, VA 22201.

***Principal Sources of Information***

This report, to meet USPAP compliancy as well as instill confidence in the Client and any Intended User(s), must convey sources of data and validation processes. Reference to details of this appraiser's data resources is listed in the Capital Equipment page(s) to define by item, the process and procedures used to conform to accepted methods as per USPAP guideline 6.8 (j) and, consequently, result in credible value conclusions.

Let it be known that the primary sources are drawn from websites, AAA Certified Appraisers, LLC database, the appraiser's personal knowledge, dealers / resellers and invoices provided us by the client.

While the appraiser has been diligent in preparing this appraisal, it is important to all concerned that the appraiser relied heavily upon information given by others. For those persons who may review this appraisal report now, and in the future, this appraiser has endeavored to clearly identify the information sources.

The principal sources of information used to form an opinion of value include the following:

- HTH Restaurant Furniture
- Shopping Hub
- e-Bay
- Florida Seating
- CKitchen
- Texas Restaurant Equipment
- A City Discount
- Dubick Fixtures and Restaurant Equip.
- Trading Post
- Parts To You
- Jak's Restaurant Supply
- Reverb
- Guitar Center
- DJ Thousands Store
- Economic Equipment Locator
- Affordable Equipment
- Falcon Restaurant Supply
- Surrey Food Equipment
- Orange County Food Equipment
- Burkett Restaurant Equipment
- Equipment Guys
- BAM Restaurant Equipment
- Kough Equipment
- Draft Warehouse
- TMA Liquidators

In all cases, the appraiser has relied upon the referenced information without independent verification.

This report is, therefore, dependent upon the information provided. Material changes in the information relied upon in this report would be cause for a reassessment to determine the effect, if any, on this appraiser's conclusion of value.

### ***Capital Equipment***

The appraiser has attempted to analyze all subject sales comparisons, offers, options, and listings in accordance with USPAP Standards Rule 7-5.

Total estimated Fair Market Value of Capital Equipment (*rounded*): **\$151,570.00**

This estimate does assume all items receive periodic maintenance according to instructions of original manufacturing companies (or their successors) and by use of replacement components (new, used, remanufactured, or reverse-engineered) available either from those companies or from alternative suppliers in the aftermarket.

Capital equipment items contained in this report have been photographed and details such as manufacturer, model/serial numbers, age, and current condition, as provided for each item as follows:

**\*SEE ATTACHED SPREADSHEET FOR COMPLETE CAPITAL EQUIPMENT LIST.**

### *Support and Ancillary Items*

In addition to the equipment items of the previous section, there also exist phone system, shelving, pots, pans, skillets, carts, heat lamps, kitchen utensils, blenders, mixers, microwave, processors, racks, customer utensils, plates, cups, bowls, bar & restaurant glasses, mugs, caddies, and other miscellaneous restaurant items, which are of supporting nature. They are included at the request of the client as they do have value. These items are valued using a combination of the Cost and Market Approaches, industry depreciation standards, prudence, and experience. These types of items are typically valued in bulk and include but not limited to:

<b>Estimated Fair Market Value:</b>	<b>\$6,850.00</b>
-------------------------------------	-------------------

### **Final Value Summary and Reconciliation**

It is this appraiser's independent unbiased professional opinion, using the valuation approaches and methods contained in this report, which are subject to the assumptions and limiting conditions, the total estimated fair market value(s) of certain capital equipment, support and ancillary items for Smokecraft Clarendon, LLC., described in this summary appraisal report, with an effective date of July 18, 2024, is:

	<b>FMV</b>
Capital Equipment Items:	\$151,570.00
Support and Ancillary Items:	\$6,850.00
<b>Total:</b>	<b>\$158,420.00</b>

## Record Keeping

An appraiser must prepare a work file for each appraisal, appraisal review, or appraisal consulting assignment. A work file must be in existence prior to the issuance of a written oral report. A summary of an oral report must be added to the work file within a reasonable time after the issuance of the oral report.

The work file must include:

- Name of the client and the identity, by name or type, of any other intended users.
- True copies of any written reports, documented on any type of media (a true copy is a replica of the report transmitted to the client. A photocopy or electronic copy of the entire signed report transmitted to the client satisfies the requirement of a true copy)
- Summaries of oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and
- All other data, information and documentation necessary to support the appraiser's opinion and conclusions and to show the compliance with USPAP, or references to the location(s) of such other documentation.

An appraiser must retain a work file for a period of at least five years after preparation or at least two years after final disposition of any judicial proceeding in which the appraiser provided testimony related to the assignment, whichever period expires last.

An appraiser must have custody of his or her work file, or make appropriate work file retention, access and retrieval arrangements with the party having custody of the work file.

An appraiser having custody of a work file must allow other appraisers with work file obligations related to an assignment appropriate access and retrieval for the purpose of:

- Submission to state appraiser regulatory agencies.
- Compliance with due process of law.
- Submission to a duly authorized professional peer review committee, or
- Compliance with retrieval arrangements.

Care should be exercised in the selection of the form, style and type of medium for records to ensure that they are retrievable by the appraiser throughout the prescribed record retention period.

A work file must be available from the appraiser required by a state appraiser regulatory agency or due process of law.

A work file support of a Restricted Use Appraisal Report must be sufficient for the appraiser to produce a Summary Appraisal Report (for assignments under *STANDARDS 2 and 8*) or an Appraisal Report (for assignments under *STANDARD 10*).

An appraiser who willfully or knowingly fails to comply with the obligations of this *RECORD-KEEPING RULE* is in violation of the *ETHICS RULE*.

## **Appraiser's Certificate**

I hereby Certify to the best of my knowledge that the following beliefs hold true as regard to this Appraisal Report:

- 1.** The Statements of Fact herein are true and accurate.
- 2.** The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions. These remain my personal, impartial, and unbiased professional analysis, opinions, and conclusions without a guarantee of value.
- 3.** I have no past, present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- 4.** I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- 5.** My engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- 6.** My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- 7.** My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- 8.** I have made a personal inspection of the property that is the subject of this report. Unless otherwise noted.
- 9.** No one provided significant personal property appraisal assistance to the person signing this certification.
- 10.** AAA Certified Appraisers, LLC has not performed any services regarding the subject property within the prior three years, as an appraiser or in any other capacity.

### ***Non-Discrimination***

In arriving at the estimated reasonable value(s), the appraiser has not been improperly influenced in any manner by the race, religion, or national origin of any person.

Robert A. Jones  
Robert A. Jones, CPPA, EECA  
*Certified Personal Property Appraiser*  
*Expert Equipment Certified Appraiser*

07 / 31 / 2024  
Date 07/31/2024

## *Company Profile*

Company Name	AAA Certified Appraisers, LLC
Presiding Entity	AAA Certified Appraisers, LLC
Year Established	2019
Legal Structure	Limited Liability Corporation / May 2020
Corporate Office	Pennsylvania
Postal Address	King of Prussia, PA 19406
Phone Number	215.257.5725
Email Address	<a href="mailto:appraisals@aaacertifiedappraisers.com">appraisals@aaacertifiedappraisers.com</a>
Website	aaacertifiedappraisers.com

**Vision Statement:** AAA Certified Appraisers, LLC builds grows through providing prompt and professional service to our clients. By producing equipment appraisals services tailored to meet our client's goals and providing valuable information allows us to stay true to our statement that "The Client is our Number One Priority".

**Competitive Advantage:** AAA Certified Appraisers, LLC strength is to provide professional certified appraisals for machinery and equipment of any type of business. We can rapidly diagnose a client's needs and provide them with the professional services needed. We seek to provide our client with an easy and stress less process from engagement all the way through the delivery of your report. Through our years of experience, we are quickly able to determine a client's needs and provide a seamlessly easy, efficient, and quicker than normal turnaround time for your appraisal report. We are constantly updating our databases to provide prompt and accurate reports. Our small in-house staff gives all our clients a personal touch. With a quick phone call or email AAA Certified Appraisers Ownership is available 24 hours a day. No question or problem is unimportant to our team.

## **Appraiser Resume - Robert Anthony Jones, CPPA, EECA**

Robert Anthony Jones has over 14 years of appraisal business experience and holds a BA from Temple University in Political Science and is a Graduate of Continental Appraisal School, Buffalo Center, Iowa and is accredited by the Institute of Equipment Valuation, Raleigh, NC. Prior to starting AAA Certified Appraisers, Mr. Jones worked and partnered with a now competitor in the appraisal field. During that time Mr. Jones was involved in running day-to-day operations. In the past, Mr. Jones was also responsible for day-to-day operations for multiple companies in the financial industry.

Mr. Jones' knowledge of Machinery and Business comes from both personal experience and education. Mr. Jones has worked, managed, and owned everything from fast food restaurants to mortgage companies. His vast knowledge and experience allow him to understand the needs of his clients. This trait allows him to work comfortably with employees of any company. With over a decade of appraisal experience, Mr. Jones' ability to appraise equipment has become a valuable asset for his clients.

Mr. Jones currently specializes in performing Machinery / Equipment Appraisals for clients nationwide. These clients include banking institutions, law firms, CPA / accounting firms, insurance agencies, pharmaceutical companies, and companies of nearly every type and size. His ability to stay current on trends affecting businesses today allows him the knowledge to formulate opinions in the current marketplace as it pertains to equipment.

## Partial List of Businesses Appraised

The following is a partial list of businesses that have been appraised by Robert Anthony Jones

Advertising Agencies	Dry Cleaners	Millwork Shops
Aerial Spraying Services	Exercise Gyms	Moving and Storage Companies
Art & Craft Stores	Fast Food Restaurants	Oil and Gas Fields
Asphalt Plants	Flower Shops	Pharmaceutical Companies
Auto Body Shops	Food Processing Plants	Physician Offices
Auto Dealerships	Farms	RV Dealerships
Auto Parts Stores	Gasoline Stations	Refuse Hauling Companies
Auto Repair Garages	Gift Shops	Restaurants
Bakeries	Grocery Stores	Rock Quarries
Beauty Shops	Hardware Stores	Sandwich Shops
Bridal Stores	Hobby Shops	Schools
Building Product Supplies	Hospitals	Swimming Pool Builders
Candy Shops	High Tech Manufacturing Companies	Trucking Companies
Catalog and Mail Order Houses	Hotels Ice Cream Shops	Veterinary Hospitals
Chemical Manufacturers	Janitorial Companies	Video Rental Shops
Clinics	Machine Shops	Welding Shops
Clubs	Maid Services	Well Drilling Companies
Construction Companies	Mall Specialty Shops	Well Servicing Companies
Convenience Stores	Manufacturing Companies	Woodworking Shops
Dental Practices	Medical Clinics	Wrecker/Towing Services

**ADDENDA**

## Appraisal Definitions and Terms from USPAP

Various terms are used throughout the appraisal report. The following are definitions of the terms:

1. **ADVOCACY** - Representing the cause or interest of another, even if that cause or interest does not necessarily coincide with one's own beliefs, opinions, conclusions, or recommendations.
2. **APPRAISAL** - (noun) The act or process of developing an opinion of value; an opinion of value. (Adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.
3. **APPRAISAL CONSULTING** -The act or process of developing an analysis, recommendation, or opinion to solve a problem, where an opinion of value is a component of the analysis leading to the assignment results.
4. **APPRAISAL FOUNDATION** - The Appraisal Foundation incorporated as an Illinois not for Profit Corporation on November 30, 1987.
5. **APPRAISAL PRACTICE** - Valuation services performed by an individual acting as an appraiser, including but not limited to appraisal, appraisal review, or appraisal consulting.
6. **APPRAISER** - One who is expected to perform valuation services competently and in a manner that is independent, impartial, and objective.
7. **APPRAISER PEERS** - Other appraisers who have expertise and competency in the same or a similar type of assignment.
8. **APPRECIATION** - Increase in value due to increase in cost to reproduce, value over the cost, or value at some specified earlier point in time brought about by greater demand, improved economic conditions, increasing price levels, reversal of depreciating environmental trends, improved transportation facilities, direction of community or area growth, or other factors.
9. **ASSIGNMENT** - A valuation service provided because of an agreement between an appraiser and a client.
10. **ASSIGNMENT RESULTS** - An appraiser's opinions and conclusions developed specific to an assignment.
11. **ASSUMPTION** - that which is taken to be true.
12. **BIAS** - A preference or inclination that precludes an appraiser's impartiality, independence, or objectivity in an assignment.
13. **BUSINESS ENTERPRISE** - An entity pursuing an economic activity.
14. **CLIENT** - The party or parties who engage an appraiser (by employment or contract) in a specific assignment.

15. CONFIDENTIAL INFORMATION - Information that is either: Identified by the client as confidential when providing it to an appraiser and that is not available from any other source; or classified as confidential or private by applicable law or regulation.
16. COST - The amount required to create, produce, or obtain a property.
17. DEPRECIATION - A loss of utility and hence value from any cause. An effect caused by physical deterioration and/or obsolescence.
18. ECONOMIC OBSOLESCENCE - Impairment of desirability of useful life arising from factors external to the property, such as economic forces or environmental changes which affect supply-demand relationships in the market. Loss in the use and value of a property arising from the factors of economic obsolescence is to be distinguished from loss in value from a physical deterioration and obsolescence, both of which are inherent in the property. Also referred to as Location or Environmental Obsolescence.
19. EXTRAORDINARY ASSUMPTION - an assumption directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinion or conclusion.
20. FEASIBILITY ANALYSIS - A study of the cost-benefit relationship of an economic endeavor.
21. FUNCTIONAL OBSOLESCENCE - Impairment of functional capacity or efficiency. Functional obsolescence reflects the loss in value brought about by such factors as overcapacity, inadequacy, and changes in the art that affect the property item itself or its relations with other elements comprising a larger property. The inability of a structure to perform adequately the function for which it is currently employed.
22. HIGHEST AND BEST USE - That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal.
23. HYPOTHETICAL CONDITION - That which is contrary to what exists but is supposed for the purpose of analysis.
24. INTANGIBLE PROPERTY (INTANGIBLE ASSETS) - Nonphysical assets, including but not limited to franchises, trademarks, patents, copyrights, goodwill, equities, securities, and contracts as distinguished from physical assets such as facilities and equipment.
25. INTENDED USE - The use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.
26. INTENDED USER - The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser based on communication with the client at the time of the assignment.
27. JURISDICTIONAL EXCEPTION - An assignment condition that voids the force of a part or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment.
28. MARKET PRICE - The amount actually paid, or to be paid, for a property in a particular transaction differs by market value in that it is an accomplished or historic fact, whereas market value is and

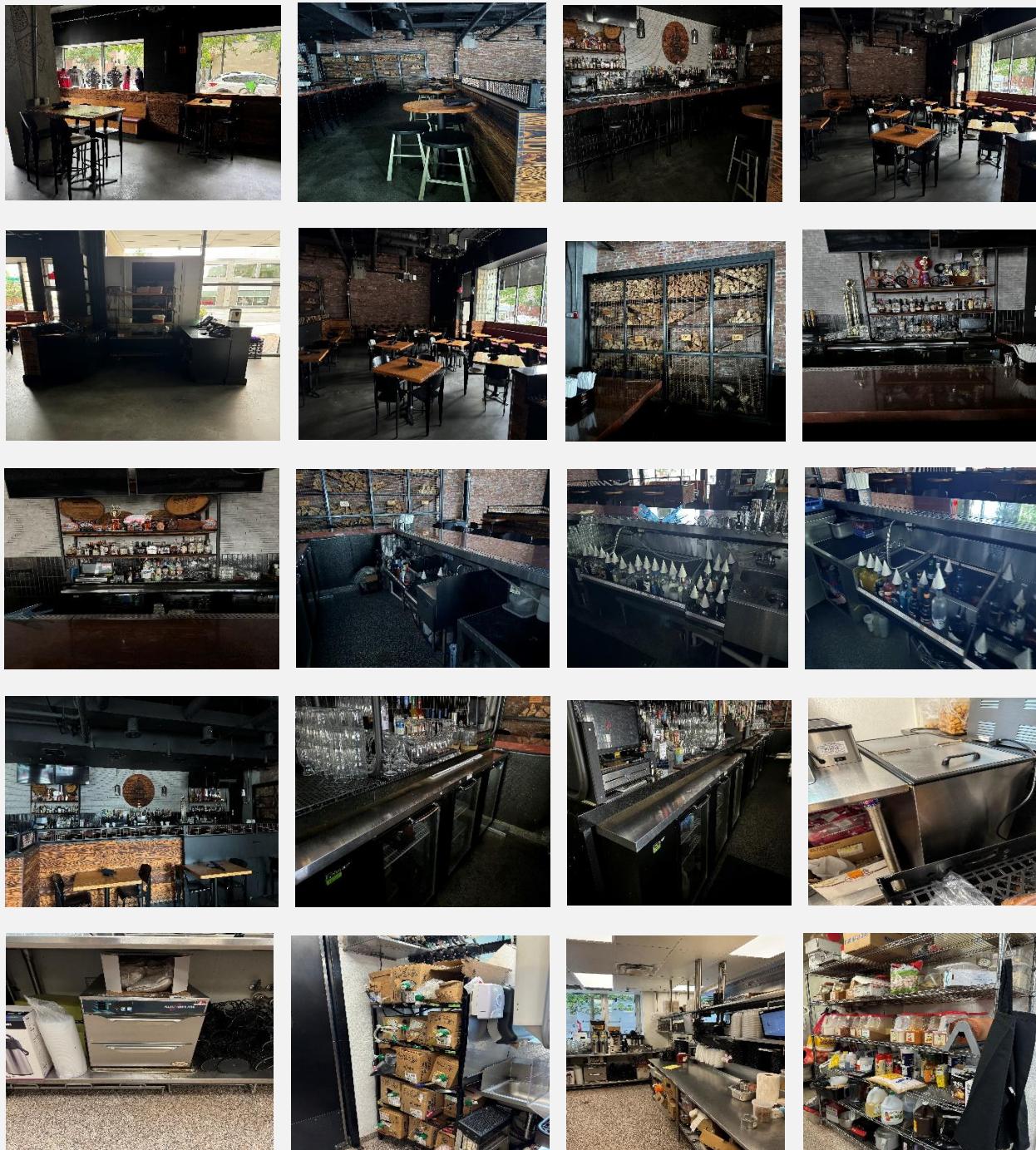
remains an estimate until proven. Market price involves the assumption of prudent conduct by the parties, absence of undue stimulus, or any other condition basic to the market value concept.

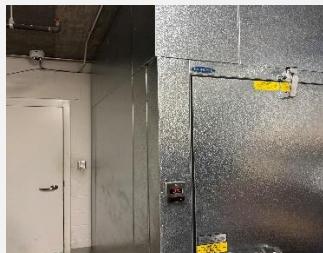
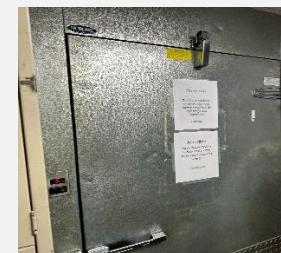
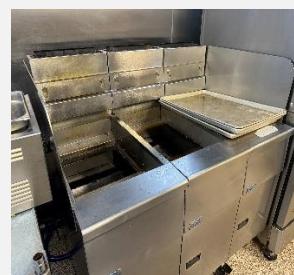
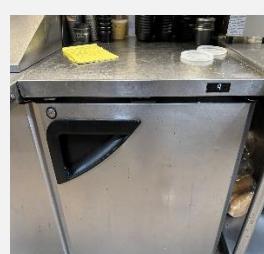
29. *MARKET VALUE* - A type of value, stated as an opinion, that presumes the transfer of property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.
30. *PERSONAL PROPERTY* - Identifiable tangible objects that are considered by the public as being "personal" - for example, furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all tangible property that is not classified as real estate.
31. *PRESENT VALUE* - The current monetary value. It is today's cash lump sum, which represents the current value of the right to collect future payments. It is the discounted value of aggregate future payments.
32. *PRICE* - The amount asked, offered, or paid for property.
33. *REPORT* - Any communication, written or oral, of an appraisal, appraisal review, or appraisal consulting service that is transmitted to the client upon completion of the assignment.
34. *SCOPE OF WORK* - The amount and type of information researched, and the analysis applied in an assignment. Scope of work includes, but not limited to, the following: the degree to which the property is inspected or identified; the extent of the research into physical and economic factors that could affect the property; the extent of data research and the type of analysis applied to arrive at opinions or conclusions.
35. *SIGNATURE* - Personalized evidence indicating authentication of the work performed by the appraiser and the acceptance of the responsibility for content, analyses and conclusions in the report.
36. *SUPPLEMENTAL STANDARDS* - Requirements issued by government agencies, government sponsored enterprises or other entities that establish public policy which add to the purpose, intent and content of the requirements in USPAP, that have material effect on the development and reporting of assignment results.
37. *VALUE* - The monetary relationship between properties and those who buy, sell or use those properties.
38. *VALUATION PROCESS* - Services pertaining to aspects of property value.
39. *WORK FILE* - Documentation necessary to support appraiser's analysis, opinions, and conclusions.

## **Engagement Agreement**

\*\* Electronically signed agreement is in appraiser's work file.

## Pictures





## EQUIPMENT LIST: SMOKECRAFT CLARENDON, LLC.

7/18/2024

Item #	Age	Manufacturer / Make	Model	Condition	Description	FMV
1	4-5 yrs.	Hoshizaki Ice Maker w/Bin	KM-1301SAJ	Good	In apprasier's work file	\$2,995.00
2	4-5 yrs.	Globe Planetary Mixer	SP30	Good	In apprasier's work file	\$3,200.00
3	4-5 yrs.	Alto-Shaam Warming Drawers (3)	500-2DN	Good	In apprasier's work file	\$2,250.00
4	4-5 yrs.	Silver King Ice Cream Dip Cabinet	SKFI15-ELUS1	Good	In apprasier's work file	\$1,390.00
5	4-5 yrs.	Alto-Shaam Holding Cabinet	500-2S	Good	In apprasier's work file	\$1,500.00
5	4-5 yrs.	Pitco Frialator Gas Fryer (3-Bay)	SG14-S	Good	In apprasier's work file	\$2,500.00
5	4-5 yrs.	Blodgett Convection Oven - dbl stack	ZEPH-100-G DBL	Good	In apprasier's work file	\$5,565.00
5	4-5 yrs.	Alto Shaam Hold Oven Cabinet Smoker	1200-SK II	Good	In apprasier's work file	\$5,250.00
5	4-5 yrs.	Turbo Air Refrig. 4 Drawer Cabinet	TCBE-96SDR-N	Good	In apprasier's work file	\$3,500.00
6	4-5 yrs.	Southbend Countertop Gas Hot Plate	HDO-36	Good	In apprasier's work file	\$1,500.00
7	4-5 yrs.	Southbend Countertop Gas Griddle	HDG-24	Good	In apprasier's work file	\$1,150.00
8	4-5 yrs.	Southbend Gas Charbroiler	HDC-36	Good	In apprasier's work file	\$1,095.00
9	4-5 yrs.	Turbo Air S.S. Refrig. Sandwich Station	MST-60-24-N	Good	In apprasier's work file	\$2,850.00
10	4-5 yrs.	Turbo Air S.S. Worktop Freezer	TWF-28SD-N	Good	In apprasier's work file	\$1,450.00
12	4-5 yrs.	True Reach-In Freezer (2DR)	T-49-F	Good	In apprasier's work file	\$3,450.00
13	4-5 yrs.	Southern Pride Smokers (2)	MLR-850	Good	In apprasier's work file	\$34,000.00
14	4-5 yrs.	Turbo Air Refrig. Beer Coolers (3)	TBB-4SG-N	Good	In apprasier's work file	\$10,275.00
15	4-5 yrs.	Exhaust/Hoods (3) Ansul System	N/A	Good	In apprasier's work file	\$12,000.00
16	4-5 yrs.	Globe Slicer	S13	Good	In apprasier's work file	\$3,950.00
17	4-5 yrs.	Beer Tap System (12 lines)	N/A	Good	N/A	\$2,800.00
18	4-5 yrs.	Norlake Walkin Cooler*	N/A	Good	N/A	\$5,750.00
19	4-5 yrs.	Norlake Walkin Freezer*	N/A	Good	N/A	\$3,500.00
20	4-5 yrs.	Toast POS System**	N/A	Good	In apprasier's work file	\$1,045.00
21	4-5 yrs.	Food Warmers and Advantco Steamer (4)	N/A	Good	In apprasier's work file	\$325.00
22	4-5 yrs.	Vulcan Cheese Melter / Salamander	N/A	Good	N/A	\$1,100.00
23	4-5 yrs.	Stainless Steel Work Tables, Tables & Shelving (Including Food Runner Station)	N/A	Good	N/A	\$2,500.00

24***	4 yrs.	Camera, Sound, TV, Rack, DJ Systems Consisting of: (3) Recorders, (24) Cameras, (6) Speakers & Brackets, DriveRack, (4) LG Smart TV's & Brackets, Epson Projector, Brackets & Screen, (2) Server Racks, (3) Patch Panels, (6) Rack Shelves, (2) Power Strips, Soundboard.	N/A	Good	Invoice #40377	\$10,230.00
25	4-5 yrs.	Prouve Dining Room & Bar Furniture Consisting of: (45) Bar Stools, (60) Dining Chairs, (8 ) 36"x36" Table Tops, (4) 36"x24" Table Tops, (14) 24"x30" Table Tops, (5) 24" Round Table Tops (26) 28" Table Bases, (10) 42" Table Bases, Banquette Bench Seating and Various Shelving Units.	N/A	Good	N/A	\$14,250.00
26	4-5 yrs.	Florida Seating Patio Furniture Consisting of: (64) Chairs - Model: AL-5602-0, (32) Table Tops - Model: TA-PT 24SQ, (32) Table Bases and fencing	see below	Good	N/A	\$10,200.00

**Sources:** A-City Discount, Texas Restaurant Equipment, Dubick Fixture and Restaurant Equipment, Trading Post, Shopping Hub, Parts To You, e-Bay (Private Sales)

Jak's Restaurant Supply, Economic Equipment Locator, Affordable Equipment, Falcon Restaurant Supply, Surrey Food Equipment, Advantage Restaurant Equipment,

Orange County Food Equipment, Burkett Restaurant Equipment, Equipment Guys, BAM Restaurant Equipment, Kough Equipment, Draft Warehouse, TMA Liquidators,

HTH Restaurant Furniture, Florida Seating, Ckitchen, Guitar Center, Reverb, DJ Thousands Store, Cost Approach, Database

**Total estimated Fair Market Value of Capital Equipment (rounded):** **\$151,570.00**

Robert A. Jones

Robert A Jones, EECA, CPPA

07 / 31 / 2024

Date 07/31/2024

\* Denotes: Owner states that can be removed from building

\*\* Denotes: Would require new licensing with different owner

\*\*\* Denotes: Information obtained by Myzentek, LLC. Invoice 40377

# EXHIBIT 2

**Generated on:** This page was generated by TSDR on 2024-12-16 00:24:34 EST**Mark:** SMOKECRAFT**Smokecraft****US Serial Number:** 88075579**Application Filing Date:** Aug. 13, 2018**US Registration Number:** 6420307**Registration Date:** Jul. 13, 2021**Filed as TEAS** Yes  
**Plus:****Currently TEAS** Yes  
**Plus:****Register:** Principal**Mark Type:** Service Mark**TM5 Common Status Descriptor:**

LIVE/REGISTRATION/Issued and Active

The trademark application has been registered with the Office.

**Status:** Registered. The registration date is used to determine when post-registration maintenance documents are due.**Status Date:** Jul. 13, 2021**Publication Date:** Jan. 08, 2019 **Notice of Allowance Date:** Mar. 05, 2019

## Mark Information

**Mark Literal** SMOKECRAFT  
**Elements:****Standard Character** Yes. The mark consists of standard characters without claim to any particular font style, size, or color.  
**Claim:****Mark Drawing** 4 - STANDARD CHARACTER MARK  
**Type:**

## Goods and Services

**Note:**

The following symbols indicate that the registrant/owner has amended the goods/services:

- Brackets [...] indicate deleted goods/services;
- Double parenthesis ((..)) identify any goods/services not claimed in a Section 15 affidavit of incontestability; and
- Asterisks \*..\* identify additional (new) wording in the goods/services.

**For:** Restaurant services**International Class(es):** 043 - Primary Class**U.S Class(es):** 100, 101**Class Status:** ACTIVE**First Use:** Jul. 28, 2020**Use in Commerce:** Jul. 28, 2020

## Basis Information (Case Level)

**Filed Use:** No**Currently Use:** Yes**Filed ITU:** Yes**Currently ITU:** No**Filed 44D:** No**Currently 44D:** No**Filed 44E:** No**Currently 44E:** No**Filed 66A:** No**Currently 66A:** No**Filed No Basis:** No**Currently No Basis:** No

## Current Owner(s) Information

**Owner Name:** Smokecraft Holdings, LLC

**Owner Address:** 7104 Loch Lomond Drive  
Bethesda, MARYLAND UNITED STATES 20817

**Legal Entity Type:** LIMITED LIABILITY COMPANY

**State or Country** VIRGINIA  
**Where Organized:**

## Attorney/Correspondence Information

### Attorney of Record

**Attorney Name:** Sean T. Morris

**Attorney Primary Email Address:** [stm@morriesq.com](mailto:stm@morriesq.com)

**Attorney Email Authorized:** Yes

### Correspondent

**Correspondent Name:** Sean T. Morris

**Name/Address:** THE MORRIS LAW FIRM LLC  
4845 RUGBY AVENUE, SUITE 302  
BETHESDA, MARYLAND UNITED STATES 20814

**Phone:** 301-654-6570

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**Correspondent e-mail:** [stm@morriesq.com](mailto:stm@morriesq.com) [info@morriesq.com](mailto:info@morriesq.com)

**Correspondent e-mail Authorized:** Yes

### Domestic Representative - Not Found

## Prosecution History

Date	Description	Proceeding Number
Jul. 13, 2021	REGISTERED-PRINCIPAL REGISTER	
Jun. 08, 2021	NOTICE OF ACCEPTANCE OF STATEMENT OF USE E-MAILED	
Jun. 07, 2021	ALLOWED PRINCIPAL REGISTER - SOU ACCEPTED	
Jun. 07, 2021	TEAS/EMAIL CORRESPONDENCE ENTERED	
Jun. 07, 2021	CORRESPONDENCE RECEIVED IN LAW OFFICE	
Jun. 02, 2021	ASSIGNED TO LIE	
Mar. 04, 2021	TEAS RESPONSE TO OFFICE ACTION RECEIVED	
Sep. 21, 2020	NOTIFICATION OF NON-FINAL ACTION E-MAILED	
Sep. 21, 2020	NON-FINAL ACTION E-MAILED	
Sep. 21, 2020	SU - NON-FINAL ACTION - WRITTEN	
Sep. 15, 2020	STATEMENT OF USE PROCESSING COMPLETE	
Sep. 04, 2020	USE AMENDMENT FILED	
Sep. 04, 2020	TEAS STATEMENT OF USE RECEIVED	
Mar. 12, 2020	NOTICE OF APPROVAL OF EXTENSION REQUEST E-MAILED	
Mar. 11, 2020	SOU EXTENSION 2 GRANTED	
Mar. 02, 2020	SOU EXTENSION 2 FILED	
Mar. 11, 2020	CASE ASSIGNED TO INTENT TO USE PARALEGAL	
Mar. 02, 2020	SOU TEAS EXTENSION RECEIVED	
Sep. 07, 2019	NOTICE OF APPROVAL OF EXTENSION REQUEST E-MAILED	
Sep. 05, 2019	SOU EXTENSION 1 GRANTED	
Sep. 05, 2019	SOU EXTENSION 1 FILED	
Sep. 05, 2019	SOU TEAS EXTENSION RECEIVED	
Mar. 05, 2019	NOA E-MAILED - SOU REQUIRED FROM APPLICANT	
Jan. 08, 2019	OFFICIAL GAZETTE PUBLICATION CONFIRMATION E-MAILED	
Jan. 08, 2019	PUBLISHED FOR OPPOSITION	
Dec. 19, 2018	NOTIFICATION OF NOTICE OF PUBLICATION E-MAILED	
Nov. 29, 2018	APPROVED FOR PUB - PRINCIPAL REGISTER	
Nov. 29, 2018	LETTER OF PROTEST EVIDENCE REVIEWED-NO FURTHER ACTION TAKEN	
Nov. 29, 2018	ASSIGNED TO EXAMINER	
Sep. 23, 2018	LETTER OF PROTEST EVIDENCE FORWARDED	
Aug. 21, 2018	NEW APPLICATION OFFICE SUPPLIED DATA ENTERED	
Aug. 16, 2018	NEW APPLICATION ENTERED	

## TM Staff and Location Information

## TM Staff Information - None

## File Location

Current Location: PUBLICATION AND ISSUE SECTION

Date in Location: Jun. 07, 2021

**Assignment Abstract Of Title Information****Summary**

Total Assignments: 1

Registrant: Smokecraft Holdings, LLC

**Assignment 1 of 1**

Conveyance: SECURITY INTEREST

Reel/Frame: [6874/0922](#)

Pages: 7

Date Recorded: Feb. 25, 2020

Supporting [assignment-tm-6874-0922.pdf](#)  
Documents:**Assignor**Name: [SMOKECRAFT CLARENDON, LLC;](#)  
[SMOKECRAFT HOLDINGS, LLC](#)

Execution Date: Jan. 30, 2020

Legal Entity Type: LIMITED LIABILITY COMPANY

State or Country: UNITED STATES  
Where Organized:**Assignee**Name: [CAPITAL BANK, NATIONAL ASSOCIATION](#)

Legal Entity Type: CORPORATION

State or Country: MARYLAND  
Where Organized:Address: 1776 E. JEFFERSON STREET  
ROCKVILLE, MARYLAND 20852**Correspondent**Correspondent: HYLIND SEARCH CO., INC.  
Name:Correspondent: 245 W. CHASE STREET  
Address: TIM WALKER  
BALTIMORE, MD 21201**Domestic Representative - Not Found**